

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD  
MINUTES  
THURSDAY, OCTOBER 7, 2010  
BOARD ROOM**

**CALL TO ORDER:** Chair Gleason called the meeting of the San Diego County Regional Airport Authority Board to order at 9:00 a.m. on Thursday, October 7, 2010, in the Board Room at the San Diego International Airport, Commuter Terminal, 3225 North Harbor Drive, San Diego, CA 92101.

**PLEDGE OF ALLEGIANCE:** Board Member Finnila led the pledge of allegiance.

**ROLL CALL:**

**PRESENT:** Board Members: Berman (Ex-Officio), Boland, Finnila, Gleason, Panknin, Col. Richie (Ex-Officio), Robinson, Smisek, Young

**ABSENT:** Board Members: Cox, Desmond

**ALSO PRESENT:** Thella F. Bowens, President/CEO; Breton K. Lobner, General Counsel; Tony R. Russell, Director, Corporate Services; Linda D. Gehlken, Assistant Authority Clerk I

**REPORT FROM CITIZEN COMMITTEE:**

**AIRPORT ADVISORY COMMITTEE:**

Richard Beach, First Vice Chair, Airport Advisory Committee, provided a summary report of the Special September 16, 2010 Airport Advisory Committee meeting. He urged the Board to approve the resolution being presented today amending Policy 1.21, in regard to the Authority Advisory Committee. He stated that the next meeting of the Committee will be on October 20, 2010.

Board Member Panknin recommended that the Authority Advisory Committee be provided the opportunity to discuss and give the Board feedback on the following topics: Regional Aviation Strategic Plan (RASP), North Side Development, Terminal Development Program (Green Build), and strategic planning.

Board Member Finnila recommended a yearly review of the topics assigned to the Authority Advisory Committee.

Chair Gleason stated that due to their relevancy to Mr. Beach's comments, Items 4 and 19 would be addressed at this time.

**4. AMEND AUTHORITY POLICY 1.21, AUTHORITY ADVISORY COMMITTEE:**

RECOMMENDATION: Adopt Resolution No. 2010-0104, amending Authority Policy 1.21 – Authority Advisory Committee.

**19. DISCUSSION AND POSSIBLE ACTION REGARDING TOPICS TO BE CONSIDERED BY AUTHORITY ADVISORY COMMITTEE:**

RECOMMENDATION: Provide direction to staff.

**ACTION:** Moved by Board Member Panknin and seconded by Board Member Robinson to approve staff's recommendation for Item 4, and directed that the Authority Advisory Committee should continue to work on the RASP; be involved in the North Side Development; be involved in community feedback regarding how the Authority is moving traffic around in the parking lots associated with the TDP; and be involved in the strategic planning efforts discussed at the recent Board retreat. It was also directed that the Authority Advisory Committee work plan topics be reviewed annually. Motion carried by the following vote: YES – Boland, Finnilla, Gleason, Panknin, Robinson, Smisek, Young; NO – None; ABSENT: Cox, Desmond. (Weighted Vote Points: YES – 80; NO – 0; ABSENT – 20)

**PRESENTATION(S):**

**A. GOVERNMENT FINANCE OFFICERS ASSOCIATION (GFOA) AWARDS:**

Dennis Coleman, CFO, City of Solana Beach, presented the Authority with a Certificate of Achievement for Excellence in Financial Reporting, and the Distinguished Budget Presentation Award for Fiscal Year 2009 on behalf of the Financial Government Finance Officers Association (GFOA).

**B. PRESENTATION OF AIRPORT COUNCIL INTERNATIONAL (ACI) AWARDS:**

Richard Kwiatkowski, Director, Marketing, reported that the Authority was recognized and the recipient of the following awards from Airport Council International (ACI):

- Third Place - Newsletter Category: SAN-E Newsletter.
- Third Place - Aviation Education Tour Program Category: "Laverne, the Runway Stowaway" book.
- First Place - Creative Innovations, Promotional Materials Category: "Laverne," the plush toy.

**C. NATIONAL PURCHASING INSTITUTE – ACHIEVEMENT OF EXCELLENCE IN PROCUREMENT AWARD:**

Jeffrey Woodson, Vice President, Administration, reported that the Authority was awarded the 2010 Achievement of Excellence in Procurement Award by the National Purchasing Institute.

Chair Gleason requested that Item G be heard at this time.

**G. UPDATE ON BOND ISSUANCE:**

Vernon Evans, Vice President, Finance/Treasurer, provided an update on Bond Issuance, which included Successful Rating Strategy; Market Conditions – Taxable Bonds; 2010 Bond Deal Structure; Strong Demand for SAN Bonds; Recent Airport Transactions and Build America Bonds.

Chair Gleason stated that the Reports from the Board, Ad Hoc, Citizen Committees and Liaisons would be heard next, followed by Non-Agenda Public Comments.

**REPORTS FROM BOARD COMMITTEES, AD HOC COMMITTEES, AND CITIZEN COMMITTEES AND LIAISONS:**

***STANDING BOARD COMMITTEES***

- **AUDIT COMMITTEE:**  
Board Member Smisek stated that the Committee had not met during this reporting period, but that work had been done to assist the Executive Personnel and Compensation Committee with the evaluation of the Chief Auditor.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**  
Board Member Boland reported that the Committee met and that the Board would receive a report during Closed Session.
- **FINANCE COMMITTEE:** None
- **TERMINAL DEVELOPMENT PROGRAM COMMITTEE:**  
Board Member Boland reported that the Committee will be meeting on October 20, and that an update will be coming forward to the Board on the progress being made.

- **REGIONAL AVIATION STRATEGIC PLAN COMMITTEE:**  
Board Member Finnila reported that four RASP Open Houses were held in September, and that more than 100 attendees were present at the sessions. She also reported that SANDAG representatives attended and presented information on the related Airport Multi-Modal Accessibility Plan (AMAP) and Regional Transportation Plan (RTP). She stated that the Open House presentations were also available online through the link: [www.sdrasp.com](http://www.sdrasp.com), and that a final RASP public outreach event was scheduled for Tuesday, October 12, 2010 for the San Diego Regional Chamber of Commerce, Transportation Land Use Committee. She invited any group interested in having a RASP presentation to contact the Authority.

#### **ADVISORY COMMITTEES**

- **AIRPORT ADVISORY COMMITTEE:** None
- **PUBLIC ART ADVISORY COMMITTEE:**  
Chair Gleason reported that a meeting of the Committee is planned for November 1, 2010 and that an update will be provided at the next Board meeting.

*Board Member Berman (Ex-Officio) arrived at 9:37 a.m.*

#### **LIAISONS**

- **CALTRANS:** None
- **MILITARY AFFAIRS:**  
Board Member Boland commended Board Member Richie and Authority staff for the contributions made towards a successful Miramar Air Show.
- **PORT:** None

#### **BOARD REPRESENTATIVES (EXTERNAL)**

- **SANDAG TRANSPORTATION COMMITTEE:**  
Board Member Smisek reported that two meetings had been held during the reporting period, and that the discussions did not relate to the Authority.
- **SCAG AVIATION TASK FORCE:** None

- **WORLD TRADE CENTER:**

Board Member Panknin reported that the World Trade Center will be holding its General Assembly in Beijing. He also reported that the World Trade Center was the recipient of a competitively sought after grant from the U.S. Department of Commerce, in the amount of \$425,000 over three years, to promote potable water technology for U.S. companies overseas. He stated that a Green Supply Chain Management Symposium is being hosted by the World Trade Center on November 12, 2010, and recommended that Authority Procurement Department staff attend the event.

**CHAIR'S REPORT:**

Chair Gleason reported that he traveled with Board Member Robinson to Washington D.C., as part of the Regional Chamber of Commerce delegation, and met with aviation representatives, including the Department of Transportation, Federal Aviation Administration, members of the Authority's congressional delegation, and Senator Feinstein.

Board Member Robinson stated that a written report on this trip is available and requested the Board's authorization to submit the report to the Regional Chamber of Commerce. There were no objections.

**PRESIDENT/CEO'S REPORT:**

Thella F. Bowens, President/CEO, reported that she has been traveling extensively as a member of the Future of Aviation Advisory Committee. She stated that the Committee will sunset at the end of December 2010. She reported that she is also a member of the Labor/Work Force and Financing subcommittees, and that work from these subcommittees will soon be presented to the Secretary of the Department of Transportation. She provided an overview of some of the issues being discussed and encouraged anyone interested in having additional information to visit the Future of Aviation Advisory Committee website.

**NON-AGENDA PUBLIC COMMENT:**

SUE VAN NATTA, SAN DIEGO, spoke in regard to worker retention, and urged the Board to retain the current work force should a new concession plan be adopted.

WINNIE FIELDS, OCEANSIDE, expressed concern that jobs will not be protected with a new concession plan. She urged the Board to adopt a policy that will address the concerns of the work force.

FRANCISCO PINEDA, SAN DIEGO, spoke in support of a worker retention policy.

RABBI LAURIE COSKEY, INTER-FAITH COMMITTEE FOR WORKER JUSTICE, SAN DIEGO, spoke regarding the importance of retaining the jobs of the current concession workers.

LORENA GONZALEZ, SAN DIEGO LABOR COUNCIL, SAN DIEGO, requested the Board to ensure that any new worker retention policy adopted by the Authority protect the service workers currently employed at the airport.

KAMRAN HAMIDI, SAN DIEGO, spoke in opposition of trip fees and requested that the fees be suspended. He provided a hand out to the Board.

CHRISTIAN ANDERSON, SAN DIEGO, spoke in support of the Regional Aviation Strategic Plan (RASP) findings.

**CONSENT AGENDA (Items 1-15):**

Chair Gleason requested that Item 1 be pulled from the agenda, and be deferred to the November 4, 2010 Board meeting. He confirmed that Item 4 had already been heard and voted on separately.

**ACTION: Moved by Board Member Finnila and seconded by Board Member Smisek to approve the Consent Agenda as amended. Motion carried by the following vote: YES – Boland, Finnila, Gleason, Panknin, Robinson, Smisek, Young; NO – None; ABSENT: Cox, Desmond. (Weighted Vote Points: YES – 80; NO – 0; ABSENT – 20)**

**1. APPROVAL OF MINUTES:**

**ACTION: This item was pulled from the agenda and deferred to the November 4, 2010 Board meeting.**

**2. ACCEPTANCE OF BOARD AND COMMITTEE MEMBERS WRITTEN REPORTS ON THEIR ATTENDANCE AT APPROVED MEETINGS AND PRE-APPROVAL OF ATTENDANCE AT OTHER MEETINGS NOT COVERED BY THE CURRENT RESOLUTION:**

**RECOMMENDATION: Accept the reports and pre-approve attendance at other meetings, trainings and events not covered by the current resolution.**

**3. OCTOBER 2010 LEGISLATIVE REPORT:**

**RECOMMENDATION: Adopt Resolution No. 2010-0103, approving the October 2010 Legislative report.**

**4. AMEND AUTHORITY POLICY 1.21, AUTHORITY ADVISORY COMMITTEE:**

**ACTION: This item was pulled from the consent agenda and voted on separately.**

5. **UNAUDITED FINANCIAL STATEMENTS FOR THE TWO MONTHS ENDED AUGUST 31, 2010:**  
RECOMMENDATION: Receive the report.
6. **AUTHORITY'S INVESTMENT REPORT AS OF AUGUST 31, 2010:**  
RECOMMENDATION: Receive the report.
7. **SUMMARY OF OUTSTANDING COMMERCIAL PAPER AS OF AUGUST 31, 2010:**  
RECOMMENDATION: Receive the report.

#### **CLAIMS**

8. **AUTHORIZE THE REJECTION OF THE CLAIM OF CHRISTIAN WINKLE:**  
RECOMMENDATION: Adopt Resolution No. 2010-0105, authorizing the rejection of the claim of Christian Winkle.

#### **COMMITTEE RECOMMENDATIONS**

#### **CONTRACTS AND AGREEMENTS**

9. **AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM AUGUST 9, 2010 THROUGH SEPTEMBER 12, 2010 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM AUGUST 9, 2010 THROUGH SEPTEMBER 12, 2010:**  
RECOMMENDATION: Receive the report.
10. **AUTHORIZE THE AWARD OF AN AGREEMENT TO GATZKE, DILLON & BALLANCE LLP FOR ALUC AND AIRPORT NOISE LEGAL SERVICES:**  
RECOMMENDATION: Adopt Resolution No. 2010-0107, authorizing the award of an agreement to Gatzke, Dillon & Ballance LLP for ALUC and Airport Noise legal services for a term of three (3) years with two (2) one-year options to extend the term for one (1) additional year each and with a maximum amount payable of \$300,000.
11. **APPROVE THE FIRST AMENDMENT TO THE OCIP INSURANCE BROKER SERVICES CONSULTING AGREEMENT WITH MARSH RISK AND INSURANCE SERVICES:**  
RECOMMENDATION: Adopt Resolution No. 2010-0108, approving the first amendment to the Owner Controlled Insurance Program (OCIP) Insurance Broker and Administration Services Agreement with Marsh Risk and Insurance Services, 204321OS, extending the term to August 1, 2013, and increasing the original not-to-exceed amount payable by \$785,846.92, for a new not-to-exceed amount payable of \$1,202,509.93.

**12. AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A SECOND AMENDMENT TO THE AGREEMENT WITH PHOENIX MARKETING INTERNATIONAL:**

RECOMMENDATION: Adopt Resolution No. 2010-0109, authorizing the President/CEO to execute a second amendment to the agreement with Phoenix Marketing International extending the term of the agreement by one year from April 1, 2011 to March 31, 2012, and increasing the amount payable by \$247,425, for a new amount payable of \$705,575 for the quarterly passenger satisfaction and baggage surveys, and annual tenant satisfaction survey.

**CONTRACTS AND AGREEMENTS AND/OR AMENDMENTS TO CONTRACTS AND AGREEMENTS EXCEEDING \$1 MILLION**

**13. AUTHORIZE THE PRESIDENT/CEO TO AWARD A CONTRACT TO ATLAS DEVELOPMENT CORPORATION, FOR QUIETER HOME PROGRAM PHASE 5, GROUP 10 (23 WEST SIDE AND 31 EAST SIDE, NON-HISTORIC, UNITS ON 31 RESIDENTIAL PROPERTIES):**

RECOMMENDATION: Adopt Resolution No. 2010-0110, authorizing the President/CEO to award a contract to Atlas Development Corporation, in the amount of \$1,141,196.00, for Phase 5, Group 10, Project No. 380510, of the San Diego County Regional Airport Authority's Quieter Home Program.

**14. AWARD A CONTRACT TO MACTEC ENGINEERING AND CONSULTING, INCORPORATED FOR PROFESSIONAL STORMWATER MANAGEMENT SERVICES:**

RECOMMENDATION: Adopt Resolution No. 2010-0106, awarding a contract to Mactec Engineering and Consulting, Incorporated, in the amount of \$2,000,000 for a 5-year period, to provide professional stormwater management services at San Diego International Airport.

**15. AUTHORIZE THE PRESIDENT/CEO TO AWARD A CONTRACT TO RICONDO & ASSOCIATES TO PROVIDE ON-CALL AIRPORT PLANNING SERVICES:**

RECOMMENDATION: Adopt Resolution No. 2010-0111, authorizing the President/CEO to award an on-call contract to Ricondo & Associates for three (3) years, in an amount not-to-exceed \$2,500,000, to provide professional consulting services supporting a variety of programs, projects and initiatives in the Airport Planning Department, and throughout the Authority.

*The Board recessed at 9:55 a.m. and reconvened at 10:05 a.m.*



**OLD BUSINESS:**

**16. AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN AGREEMENT WITH HSS, INC. FOR CONTRACT SECURITY SERVICES (Discussed at the September 2, 2010 Board Meeting):**

George Condon, Director, Aviation Operations and Public Safety, provided a presentation on the Request for Proposal (RFP) for Security Services at San Diego International Airport (SAN) which included the Current Contract for Security Services at SAN; RFP Background and Process; Proposal Evaluation; Interviews and Final Rankings; Respondent Notifications/Protest Deadline/Billable Negotiations with HSS, Inc.; Background on HSS, Inc.; and the Recommendation.

Board Member Boland questioned the five day protest process for participants, and whether or not there could be a suspension of the deadline, if information is not available to the applicant during this time.

Breton K. Lobner, General Counsel, stated that the protest process used at the Authority is used by many governmental agencies throughout the State of California, and that the protest procedure is meant to address problems with the process up to the time that the evaluation panel designates a party for negotiations. He stated that issues considered for protest are those of fairness of the specifications; the following of procedures; and substantive parts of the RFP process. He stated that the complaints that are being raised are not part of the "protest" process. He also stated that after the protest period has ended, and the information is released, parties in the process have the right to bring forth to the Board, any information that points out what is illegal about the process. He stated that it is the Board's duty to determine if the specifications have been followed and that everything has been done properly. He stated that if it is determined that the process has not been conducted properly, the Board can throw out the process and start over; or if it is something that can be corrected, the Board can sit as the evaluation panel, take evidence and make a decision.

In response to Board Member Panknin regarding why the existing contract was not amended, Mr. Condon stated that the Authority is currently in an option year of the contract, and a decision was made to bid out the services in light of the changes in security in regards to training and technology, and costs.

Angela Shafer-Payne, Vice President, Planning and Operations, stated that due to some unforeseen increases in security, the amendment to the contract would have been quite substantial. She stated that it was more prudent to go through a new RFP process.

In response to Board Member Panknin regarding the requirement for small business preference points, Ms. Vargas stated that if a preference is going to be applied it is specified in the evaluation criteria which are part of the RFP. She also stated that they must submit a certification and declaration that they are a small business. She stated that the prime contractor needs to be the small business.

In response to Board Member Panknin regarding why a Veteran's preference was not part of this process, Breton Lobner, General Counsel, stated that there are no federal funds involved in this contract. He also stated that the small business preference was part of the evaluation criteria.

In response to Board Member Finnilla regarding finding the unit points values, and if it's applied to every contract or just to some; Ms. Vargas stated that the Procurement Department looks to establish a fair value for all of the fees that are received to make sure that the information can be fairly applied. She stated that depending on the methodology used by vendors, other processes might be used.

Board Member Panknin suggested changing the small business preference policy to allow the prime contractor to subcontract with a small business, and still qualify for the preference.

STEVE CLATON, UNIVERSAL PROTECTION SERVICE, COTO DE CAZA, requested that the Board investigate the RFP process. He expressed concern that the rankings were not substantiated by the facts as known.

DONNA JONES, SHEPPARD MULLEN, LLP, SAN DIEGO, requested the Board to investigate the process for the award of this RFP, and suggested that a conflict of interest might exist by a law firm representing Universal Protection Service.

BRIAN CESCOLINI, UNIVERSAL PROTECTION SERVICE, CORONA DEL MAR, expressed concern in regard to the process and the rankings.

JOHN DADIAN, HERITAGE SECURITY, SAN DIEGO, expressed concerns with the RFP process associated with this contract, and urged the Board to consider all factors before making its decision. He provided a handout to the Board.

PAUL LIBUDA, POWAY, spoke in support of Heritage Security.

WAYNE SCHELL, PRESIDENT/CEO, HSS AVIATION & GOVERNMENT SERVICES, DENVER, provided a brief overview of HSS Aviation and Government Services' qualifications.

MICHAEL LANAM, HSS AVIATION & GOVERNMENT SERVICES, DENVER, spoke in support of HSS Aviation & Government Services and stated that the company would have an office in San Diego.

BILL VAN DE WEGHE, MC KENNA LONG & ALDRIDGE, LLP, SAN DIEGO, spoke in support of awarding the contract to HSS Aviation & Government Services.

PENNY COBEY, MC KENNA LONG & ALDRIDGE, LLP, ALTADENA, urged the Board to move forward with awarding the contract as recommended by staff.

Board Member Panknin expressed concern with the Authority's RFP processes not being aligned with the agency's mission. He suggested that a worker retention policy should be in place before this contract is awarded. He suggested scrapping this process and renegotiating with the current vendor.

Board Member Young stated that in his opinion the processing for this RFP was done fairly. He stated that it would be unfair to scrap the process.

Board Member Smisek reported that this issue was discussed at the September 27, 2010 Executive Committee Meeting and much of the same testimony had been presented at that meeting as well. He reported that Board Members Cox and Desmond were present at that meeting and, although they had some reservations relative to local participation, they felt the RFP process had been conducted properly, and both expressed support for awarding the contract as recommended by staff.

Board Member Finnila disclosed *ex-parte* communication with Mr. Craig and Ms. Berbauer. She stated that she supports the award of the contract after careful analysis of all the information presented, and it is her opinion that the RFP process was handled appropriately. She recommended that staff provide an accounting of small and local business participation in this contract over the next five years.

Chair Gleason stated that he would be supporting the motion. He stated that he feels that the process was conducted according to the established parameters. He expressed concern with some of the parameters included within the RFP. He stated that the Board will have to determine how to discuss important RFP's in advance to address the many concerns expressed regarding the award of this contract. He also suggested that a review of the RFP process be done.

Board Member Panknin stated that he would not support similar future contracts that do not include Small Business and Veterans' preference incentives.

In response to Board Member Young as to whether the Board would be given the opportunity to address the various concerns raised at today's meeting, Thella F. Bowens, President/CEO, stated that the local preference issue will be coming to the Board soon as it is included in the Work Plan.

Chair Gleason requested that all contracting preferences be included in the scheduled discussions.

Board Member Young requested that similar contracts that require vetting be highlighted on the weekly list of contracts provided to the Board.

**RECOMMENDATION:** Adopt Resolution No. 2010-0097, authorizing the President/CEO to execute an agreement with HSS, Inc. for contract security services for five (5) years including two (2) one-year options to extend in an amount not-to-exceed fifteen million dollars (\$15,000,000).

**ACTION:** Moved by Board Member Young and seconded by Board Member Smisek to approve staff's recommendation with direction that staff request an accounting of small and local business participation in this contract over the next five years. Motion carried by the following vote: YES – Boland, Finnilla, Gleason, Robinson, Smisek, Young; NO – Panknin; ABSENT – Cox, Desmond. (Weighted vote points: YES – 72; NO – 8; ABSENT – 20)

*The Board recessed at 11:20 a.m. and reconvened at 11:34 a.m.*

**17. BOARD DISCUSSION AND POSSIBLE ACTION REGARDING EMPLOYEE PURCHASES OF SERVICE CREDITS FROM THE SAN DIEGO CITY EMPLOYEES' RETIREMENT SYSTEM (SDCERS)**

**(Discussed at the September 2, 2010 Board Meeting):**

Jeff Lindeman, Director, Human Resources; and Mark Covey, Chief Financial Officer, San Diego City Employees' Retirement System, provided a presentation regarding employee purchases of service credits from the San Diego City Employees' Retirement System (SDCERS) which included Purchase Service Credit Options; Active Member Cost Scenario; DROP Active Cost Scenario; and Deferred Member Cost Scenario.

Board Member Finnilla stated that the Board needs time to assess the legal implications for each option presented by SDCERS.

Chair Gleason requested that this item be discussed in Closed Session at the next meeting.

STEVE CORNELL, SAN DIEGO, requested that this topic not be discussed in Closed Session. He urged the Board to take additional time to analyze the impact of their decision on this issue, and to consider requesting an additional time from SDCERS before providing direction.

**RECOMMENDATION:** Receive an update on the status of San Diego City Employees' Retirement System (SDCERS) Board of Administration's response to the Court of Appeals ruling.

**ACTION:** Moved by Board Member Finnila and seconded by Board Member Smisek to request from SDCERS an extension of time, to March 31, 2011 or until there is more information, for the Authority to decide whether it wants to voluntarily take on the underfunding obligations of pension contributions associated with the purchase of service credits. Motion carried by the following vote: YES – Boland, Finnila, Gleason, Panknin, Robinson, Smisek, Young; NO – None; ABSENT: Cox, Desmond. (Weighted Vote Points: YES – 80; NO – 0; ABSENT – 20)

**CLOSED SESSION:** Breton Lobner, General Counsel reported that, in regards to Item 24 - Save our Heritage Organization case, the court issued a final judgment in favor of the Port District and the Airport Authority; and in regards to Item 28 - JCDecaux case, that the Board had authorized a settlement up to \$200,000 and that the President/CEO had negotiated a settlement in the amount of \$200,000. The Board recessed into closed session at 12:20 P.M. to hear Items 29, 30, 31 and 32.

21. **CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION:**  
(Government Code Section 54956.9 (a)):  
San Diego Unified Port District v. TDY Industries, Inc., et al., and related cross-actions. U.S. District Court, Southern District Case No. 03 CV 1146-B (POR).
22. **CONFERENCE WITH REAL PROPERTY NEGOTIATORS:**  
Real Property Negotiations pursuant to Cal. Gov. Code sections 54954.5(b) and section 54956.8.  
Property: 1.15 acre parcel located at the northern terminus of 13<sup>th</sup> Street in Imperial Beach  
Agency Negotiators: Vernon D. Evans, Vice President, Finance/Treasurer  
Under Negotiation: Sale – Terms of Payment and Conditions.

- 23. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:**  
Real property negotiations pursuant to Cal. Gov. Code Sections 54954.5(b) and section 54956.8.  
Property: Salt Plant – 17 acre parcel located at 1470 Bay Boulevard, San Diego  
Agency Negotiators: Vernon D. Evans, Vice President, Finance/Treasurer  
Negotiating Parties: United States Fish and Wildlife Service, GGTW, LLC (current tenant) and/or other interested parties  
Under Negotiation: Sale – terms and conditions.
- 24. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**  
Pursuant to Government Code Section 54956.9(a):  
*Save Our Heritage Organization v. San Diego Unified Port District, et al.*, San Diego Superior Court Case No. 37-2009-00097828-CU-TT-CTL
- 25. CONFERENCE WITH LEGAL COUNSEL--EXISTING LITIGATION:**  
(Cal. Gov. Code Section 54956.9(a)):  
San Diego Unified Port District v. Argonaut Insurance Company, et al, L.A.S.C. GIC 874394
- 26. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:**  
Real Property Negotiations pursuant to Cal Gov. Code §§ 54954.5(b) and 54956.8  
Property: 3.76 acre easement across MCRD and San Diego Unified Port District property located on the Washington Street extension south of Pacific Highway, in the City of San Diego, CA.  
Agency negotiators: Vernon Evans, Vice President, Finance/Treasurer and Troy Ann Leech, Director, Real Estate Management.  
Under Negotiation: Consideration of MCRD's request for exclusive use of portion of the easement; possible realignment of access and rights; acquisition of easement or right of way from the San Diego Unified Port District.
- 27. CONFERENCE WITH LEGAL COUNSEL--EXISTING LITIGATION:**  
(Cal. Gov. Code Section 54956.9(a)):  
City of San Diego, Historical Resources Board: In re: Western Salt Company Salt Works, Report No. HRB-08-005
- 28. CONFERENCE WITH LEGAL COUNSEL: INITIATION OF LITIGATION:**  
Pursuant to Cal. Gov. Code section 54956.9(c)  
Potential Cases: 1 (JCDecaux)

- 29. CONFERENCE WITH LABOR NEGOTIATOR:**  
Labor negotiations pursuant to Cal. Gov. Code §54957.6.  
Authority Designated Negotiators: Thella F. Bowens; President/CEO, and Jeffrey Woodson; Vice-president, Administration  
Employee Organization: Teamsters 911
- 30. PUBLIC EMPLOYEE PERFORMANCE EVALUATION:**  
(Government Code 54957):  
Title: President/CEO
- 31. PUBLIC EMPLOYEE PERFORMANCE EVALUATION:**  
(Government Code 54957):  
Title: General Counsel
- 32. PUBLIC EMPLOYEE PERFORMANCE EVALUATION:**  
(Government Code 54957):  
Title: Chief Auditor

**REPORT ON CLOSED SESSION:** The Board reconvened into open session at 1:06 P.M. There was no reportable action.

**NEW BUSINESS:**

- 18. RECEIVE THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY DISPARITY STUDY:**  
Bob Silvas, Director, Small Business Development, and Patricia Wright, Manager, Small Business Development, provided a presentation regarding the San Diego County Regional Airport Authority Disparity Study which included Purpose; Methodology; Disparity Index; Findings; Public Outreach; Public Outreach Results; 9<sup>th</sup> Circuit Court Ruling; and Next Steps.

Board Member Young expressed concern that the numbers indicate that qualified African American, Latinos, Native Americans, and Women owned businesses are not getting the opportunity to participate in projects. He stated that the Authority has to do everything it can to address this issue.

Board Member Boland requested that staff provide the Board with an update on the efforts of the Terminal Development Program to see what the Authority is doing in respect to the disparity results.

Chair Gleason suggested asking staff to look at the goals and preference issue in a larger sense, in the context of local, small business, and veteran's preferences.

**RECOMMENDATION:** Receive the disparity/availability study of the five-year period from 2003 through 2007.

**ACTION:** Moved by Board Member Young and seconded by Board Member Boland to accept staff's recommendation. Motion carried by the following vote: YES – Boland, Finnila, Gleason, Panknin, Robinson, Smisek, Young; NO – None; ABSENT: Cox, Desmond. (Weighted Vote Points: YES – 80; NO – 0; ABSENT – 20)

*Board Member Young left the dais at 1:45 p.m.*

**PRESENTATION(S) continued:**

Chair Gleason stated that Item D would be heard at this time.

**D. PRESENTATION ON THE AUTHORITY'S PROCUREMENT PROCESS (EDUCATIONAL ITEM):**

Jana Vargas, Director, Procurement, provided a presentation on the Authority's procurement process, which included Procurement's Role at the Authority; Procurement Overview; Policy 5.01 Summary: Materials, Supplies, & Equipment; Policy 5.01 Summary: Services & Consulting Agreements; Policy 5.01 Summary: Contracts for Public Projects; Solicitation Methods; Highlights from the Authority's Contracting Webpage; Bids On Line – Web-based Vendor Management System; Ethics; Roles and Responsibilities; Evaluation Process; Formal and Informal Ranking of Submissions; and Interview Process and Final Ranking.

In response to Board Member Boland as to the process used to assemble the review panel, Ms. Vargas stated that the panel is chosen by the contract owner, and they recommend the experts to be on the panel as well.

Thella F. Bowens, President/CEO, stated that Department Directors and Vice Presidents also are involved in selecting who is on the panels. She stated that there are many factors to be considered when assigning members on a panel, and that for very large contracts, she is also involved in the decision making process.

Chair Gleason stated that it would be helpful for the Board, if the information provided to the Board is in a standardized format within the staff reports. He also suggested that staff standardize the process, and consider including the role of the Board in the matrix.



**E. UPDATE ON THE REGIONAL AVIATION STRATEGIC PLAN (RASP) FOR SAN DIEGO COUNTY:**

Ted Anasis, Manager, Airport Planning, and Eric Bernhardt, Director, Jacobs Consultancy, provided an update on the Regional Aviation Strategic Plan (RASP) which included Senate Bill 10 – Multimodal Planning to be Coordinated by SDCRAA and SANDAG; Project Overview – 3-Phase Work Plan Culminating in 2011; RASP Study Area; System Optimization Toolkit; Regional Aviation Travel Demand Model Framework; Baseline Scenario; Thirteen Alternative Scenarios (5 Families); Alternative Scenarios; Summary of Findings to Date; Alternative Tijuana Enhancement Scenarios; Alternative California High Speed Rail (HSR) Scenarios; Challenges to Implementation; Next Steps; Public Involvement; Earned Media & Outreach; Schedule and Work Plan.

**F. UPDATE ON THE TELEDYNE RYAN (TDY) DEMOLITION:**

Paul Manasjan, Director, Environmental, provided a presentation on the Teledyne Ryan (TDY) demolition which included TDY Settlement Agreement; Post-Demo Mitigation Measures; Demolition Project Phase I, Phase II, Phase III; Demolition Schedule; and Remediation Project.

Board Member Robinson requested a copy of the settlement agreement and stated that he would like to discuss the TDY Memorandum of Agreement (MOA) during Closed Session.

**20. DISCUSSION AND POSSIBLE ACTION ASSOCIATED WITH THE ISSUANCE OF REVENUE BONDS:**

**RECOMMENDATION:** Provide direction to staff.

**ACTION:** There was no report on this item.

**PUBLIC HEARINGS: None**

**NON-AGENDA PUBLIC COMMENT: None**

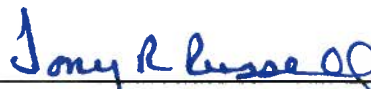
**GENERAL COUNSEL REPORT: None**

**BUSINESS AND TRAVEL EXPENSE REIMBURSEMENT REPORTS FOR BOARD MEMBERS, PRESIDENT/CEO, CHIEF AUDITOR AND GENERAL COUNSEL WHEN ATTENDING CONFERENCES, MEETINGS, AND TRAINING AT THE EXPENSE OF THE AUTHORITY:**

**BOARD COMMENT:**

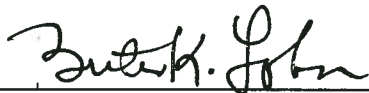
**ADJOURNMENT:** The meeting was adjourned at 2:40 P.M.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD THIS 4<sup>TH</sup> DAY OF NOVEMBER, 2010.



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TONY R. RUSSELL  
DIRECTOR, CORPORATE SERVICES/  
AUTHORITY CLERK

APPROVED AS TO FORM:



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BRETON K. LOBNER  
GENERAL COUNSEL